SIX SWISS PRACTICE EXAM (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Table of Contents

Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. **During post-trading, what happens to orders with validity of current business day?**
    A. They will be canceled and not executed
    B. They will be extended to the next day
    C. They will be rejected
    D. They are automatically entered as open orders

2. **Which trades must be reported using a Trade Report?**
    A. On-exchange trades
    B. Off-order-book trades
    C. Off-exchange trades
    D. All of the above

3. **For orders valid at the opening, when can they be entered and what happens to non-executed parts after open?**
    A. During trading day; they remain
    B. Only during pre-opening and valid through opening; non-executed parts deleted after open
    C. Only during opening; visible
    D. Only during closing

4. **What is the report used to reconcile order statuses?**
    A. Order Reconciliation Report (ORR)
    B. Trade Reconciliation Report (TRR)
    C. Pre-trade transparency
    D. Central Limit Order Book (CLOB)

5. **Which field identifies the securities dealer subject to reporting requirements in a trade report?**
    A. Member ID
    B. Trader ID
    C. Execution time
    D. Trade type

6. How can quotes be entered?

A. By market makers or liquidity providers, either bilateral (buy and sell) or unilateral (buy or sell only), via QTI

B. By end customers only

C. By automated risk engine only

D. By external brokers only

7. What happens to non-executed parts of a normal order?

A. Immediately canceled

B. Remain in order book until executed, deleted or expiring

C. Delete after 5 minutes

D. Move to iceberg

8. Within what time frame can a party request a declaration of invalidity after a transaction?

A. Within 24 hours.

B. Within 4 hours.

C. Within 5 minutes.

D. Within 45 minutes.

9. What is the opening price if limit orders on both sides are on equal order size?

A. Arithmetical mean of the prices of the two last-executed orders

B. Price of the last-executed order

C. Maximum executable trading volume

D. Reference price

10. Which report is needed for off-order-book trades?

A. Transaction Report

B. Trade Report

C. Both reports

D. No report is needed

Answers

1. C
2. D
3. B
4. A
5. A
6. D
7. B
8. D
9. A
10. B

Explanations

1. **During post-trading, what happens to orders with validity of current business day?**

A. They will be canceled and not executed

B. They will be extended to the next day

C. They will be rejected

D. They are automatically entered as open orders

When an order is set to be valid only for the current business day, it is tied to the active trading session. Once the session ends, there's no live market left for it to be matched, so the post-trading system marks it as no longer valid and rejects it. It isn't extended to the next day, nor kept as an open order, and it isn't simply canceled by user action. The automatic response to expiration of a day-only order in post-trading is rejection.

2. **Which trades must be reported using a Trade Report?**

A. On-exchange trades

B. Off-order-book trades

C. Off-exchange trades

D. All of the above

Trade reporting is about providing a post-trade record to the regulator so the market has a complete and transparent picture of activity. Because regulators need to monitor for fairness and market integrity, every trade should be captured regardless of how or where it was executed. This means trades that occur on an exchange are reported through the exchange systems, trades negotiated off exchange (OTC or bilateral) are still reported to ensure visibility, and trades that happen off the visible order book (off-order-book) are recorded too so they don't create hidden liquidity. The goal is to have a full set of data for price formation and surveillance, which is why all these categories must be reported.

3. **For orders valid at the opening, when can they be entered and what happens to non-executed parts after open?**

A. During trading day; they remain

B. Only during pre-opening and valid through opening; non-executed parts deleted after open

C. Only during opening; visible

D. Only during closing

Opening orders are used to participate in the price discovery at the market's opening. They must be entered in the pre-opening phase and stay valid through the opening auction. If any part of such an order isn't filled during the opening, that non-executed portion is removed after the opening. This setup ensures the opening price is determined by orders active specifically for the opening, and prevents unfilled opening-only orders from lingering into the regular trading session.

4. What is the report used to reconcile order statuses?

A. Order Reconciliation Report (ORR)

B. Trade Reconciliation Report (TRR)

C. Pre-trade transparency

D. Central Limit Order Book (CLOB)

The key idea here is matching the state of every order across systems to ensure nothing is out of sync. An Order Reconciliation Report is specifically designed to capture the lifecycle details of each order—when it was entered, any changes, cancellations, partial or full fills—and to compare those details against the venue or counterparty confirmations. This makes it possible to spot discrepancies like an order showing as filled in one system but still active in another, or a cancellation that didn't propagate everywhere. By providing a single view of order events, the ORR supports accuracy, auditability, and control over the order flow. Other options don't fit as well because one refers to information available before trading (pre-trade transparency), another to the actual venue where orders are executed (Central Limit Order Book), and the remaining one would deal with reconciling trades rather than orders (trade reconciliation).

5. Which field identifies the securities dealer subject to reporting requirements in a trade report?

A. Member ID

B. Trader ID

C. Execution time

D. Trade type

In trade reporting, you need to know which broker-dealer is responsible for the trade. The field that does this is the identifier of the member firm—the Member ID. It uniquely identifies the securities dealer in the system, so regulators know who must report the trade and who is responsible for the record. The other fields serve different purposes: the Trader ID points to the individual trader within a firm, not the firm itself; the Execution time records when the trade occurred; and the Trade type describes what kind of trade it was (buy, sell, etc.), not who the dealer is.

6. How can quotes be entered?

A. By market makers or liquidity providers, either bilateral (buy and sell) or unilateral (buy or sell only), via QTI

B. By end customers only

C. By automated risk engine only

D. By external brokers only

The ability to enter quotes rests with external brokers because they are the authorized counterparties connected to the trading interface to post bids and offers on behalf of clients. This setup relies on broker-mediated quoting to ensure proper client attribution, regulatory compliance, and risk controls. End customers don't post quotes directly, as that would bypass the broker-client relationship and the necessary checks. An automated risk engine isn't used to place live quotes, since its role is to assess risk or simulate scenarios rather than to enter actual market quotes. Market makers or liquidity providers may contribute liquidity, but the system is designed for quotes to be submitted by external brokers, preserving governance and oversight.

7. What happens to non-executed parts of a normal order?

A. Immediately canceled

B. Remain in order book until executed, deleted or expiring

C. Delete after 5 minutes

D. Move to iceberg

When you place a normal order, any portion that isn't filled right away stays in the market as a resting order at your specified price. It sits in the order book and remains there until it's fully filled, or you cancel it, or it expires according to its time-in-force. This is how liquidity is provided—the unfilled part stays available for matching as the market moves to your price. It's not automatically canceled, and it's not moved to an iceberg unless you use a specific iceberg order type.

8. Within what time frame can a party request a declaration of invalidity after a transaction?

A. Within 24 hours.

B. Within 4 hours.

C. Within 5 minutes.

D. Within 45 minutes.

Prompt action to challenge a transaction when grounds for invalidity exist. The reason forty-five minutes is the best answer is that invalidity challenges are treated as urgent: the sooner the party raises the issue, the better the chances of stopping or reversing effects while evidence, consent status, and transactional impacts are still clear. A short window helps prevent delay from eroding the remedy and protects both parties by keeping the situation from becoming settled or ratified unintentionally. The other timeframes are less appropriate because they tolerate longer delays (which can complicate or forestall undoing the transaction) or are unrealistically short for practical verification. In this context, the intended rule emphasizes immediate action, hence the forty-five-minute limit. Always check the specific jurisdictional rules in practice, but this item centers on the need for prompt pursuit of invalidity declarations.

9. What is the opening price if limit orders on both sides are on equal order size?

A. Arithmetical mean of the prices of the two last-executed orders

B. Price of the last-executed order

C. Maximum executable trading volume

D. Reference price

When determining the opening price in an opening auction, the market looks for a price that clears the maximum volume given the orders on both sides. If the limit orders on the buy and sell sides are equal in size, there is a perfectly balanced cross, so the price that clears is halfway between the two most recent executable trades—i.e., the arithmetic mean of the prices of the two last-executed orders. This choice avoids bias toward either side and reflects a fair midpoint when supply and demand are matched equally. The other options don't fit: taking the price of just the last trade would tilt one way or the other, the maximum executable volume is a quantity, and a reference price is a separate benchmark not used to set the opening cross in this balanced case.

10. Which report is needed for off-order-book trades?

A. Transaction Report

B. Trade Report

C. Both reports

D. No report is needed

Off-order-book trades are executions that happen outside the visible order book, so the actual deal must be captured as a trade to show what was agreed and completed. The trade report records the execution details—instrument, price, quantity, time, and counterparties—providing a clear, post-trade record for regulators and counterparties. A transaction report typically relates to the lifecycle of orders and may not reflect the final terms of the trade, which is why it isn't the correct mechanism for off-order-book executions. So, the trade report best documents off-order-book trades.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://sixswiss.examzify.com

We wish you the very best on your exam journey. You've got this!